AMERICAN INTERNATIONAL COMPANIES

PROGRAM DIVISION BULLETIN

2004-25 July 14, 2004

IMPORTANT INFORMATION REGARDING COMMERCIAL AUTOMOBILE LIABILITY INSURANCE DMV REPORTING

IMPORTANT DATED MATERIAL

This bulletin contains important information regarding commercial automobile liability insurance reporting and changes regarding our current procedures; please share this bulletin with those on your staff wherever applicable.

Background

As you have been notified in prior underwriting bulletins, many states currently require insurance carriers to provide some form of verification of liability insurance for commercial automobile policyholders; generally this information is shared with both the state insurance department and the state division of motor vehicles (DMV). Those states which presently require DMV reporting are:

Arizona, Arkansas, Colorado, Florida, Georgia, Louisiana, Maryland,

Massachusetts, Nevada, New Mexico, New York, Oregon, Utah and Virginia.

Since our policy production systems do not always capture some of the information required by many of the states for their reporting requirements, AIG has developed a system to facilitate this reporting – ALIR (Automobile Liability Insurance Reporting). While data can be entered manually, this system now allows users to 'upload' the templates which have presently been in use by our Program Administrators.

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Current and Revised Procedures

Presently our Program Administrators have retrieved copies of the applicable state templates from www.accessaig.com, completed the required information, and then e-mailed the completed template back to us for processing.

With the full system now operational, you can now go to www.accessaig.com, retrieve the applicable state template, sign on to the system, and then upload the template from your workstation directly to our database, which then transmits data to the appropriate state DMV.

Action Required

Effective August 1, 2004, we will no longer accept templates from Program Administrators – any e-mail sent to DMV Data Entry@aig.com will be returned (except for Utah, which will still need to be e-mailed to us until this state is available in the system). All Program Administrators will need to make certain you have the proper procedures in place to perform the DMV reporting wherever applicable if you write commercial automobile business. If reporting needs to be done, each individual doing the reporting must have a user ID and password to access the ALIR System.

If you have not yet done so, please visit www.accessaig.com, and go to the DMV Services section; there you will find additional documentation, copies of the 'User ID Request Form', copies of the state templates, and a link to the ALIR System. When accessing the system to upload data for the first time, a small 'Java' application will need to be installed on your computer; please review the support documentation posted prior to this installation. The procedure is simple to follow, and is only required for first-time visitors.

Once you begin to upload data, your templates will reside in a queue until the data has been transmitted to the appropriate DMV; the system transmits data at different times depending on specific state requirements (i.e., daily, weekly, or monthly). If the state has any errors from your submission (for instance, an invalid VIN), you will receive an e-mail indicating you have a pending error. There will also be a link posted to view all pending errors when you sign on to the system. All errors must be reconciled, otherwise your insured may face a potential registration suspension.

If you have any questions regarding these revised procedures, please contact your Program Manager or Stephen Raymond at stephen.raymond@aig.com. For technical assistance, please contact the DMV Support Help Desk at the number shown on the ALIR System welcome screen.

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